



## Group Universal Life (GUL) & Accidental Death & Dismemberment (AD&D) Program Frequently Asked Questions (FAQs)

**Important:** Access GUL program information, forms, plan rates and more on the Statewide Benefits Office (SBO) website at [de.gov/statewidebenefits](http://de.gov/statewidebenefits) (Select “Benefit Programs,” then choose “Life Insurance”)

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### GUL and AD&D Defined

#### **(1) What is Group Universal Life (GUL) Insurance?**

Visit “*Ellie*” on the SBO website to learn more about the GUL program. Every person has a different need when it comes to insurance protection. By answering a few simple questions, you can determine how the GUL program meets your needs and get a quote to see how the cost fits your budget. As your personal and financial obligations grow and/or change, so does the need for life insurance protection. GUL provides employees

with life insurance protection to help secure the future for those who financially depend on you.

## **(2) What is Accidental Death & Dismemberment (AD&D) coverage?**

AD&D insurance pays benefits in addition to GUL insurance in the event of the insured's accidental death or dismemberment and is often referred to as *double indemnity* insurance. Employees enrolled in the GUL program are automatically provided with AD&D coverage to age 70, unless you become totally disabled and approved for the premium waiver benefit (AD&D coverage will terminate upon the commencement of the premium waiver benefit). The amount of AD&D coverage payable is based on the type of loss and the amount of insurance you have in effect at the time of the injury and/or accident. The amount of insurance payable excludes *additional* contributions, if applicable, to the *optional* Cash Accumulation Account. Visit the SBO website for more information on the AD&D benefit.

## **Eligibility**

### **(3) Who is eligible to enroll for coverage?**

#### **Employee**

You are eligible to enroll in the program if you are a permanent full-time employee (regularly scheduled to work at least 30 hours per week or 130 hours per month), permanent part-time employee (regularly scheduled to work less than 130 hours per month, but a minimum of 15 hours per week), limited term as well as elected and/or appointed State official, including Board Member.

Note: Each benefit eligible employee may elect Dependent Term Life coverage.

#### **Spouse**

Your legal spouse.

#### **Child(ren)**

Eligibility begins at live birth. To be covered, a child must be under 26 and either

- born to the employee or his or her spouse,
- adopted by the employee or his or her spouse, or
- placed in the home of the employee or his or her spouse for adoption and you may be required to submit proof of relationship, such as birth certificate or adoption papers in the event of a claim. Eligibility ends at the end of the month in which the child attains age 26. Please note: Disabled children can be covered beyond age 26. For more information, see the Disabled Children description below.

#### **Coverage for Other Children**

You may also cover a child who is not yours or your spouse's natural or adoptive child if the child is:

- unmarried; and
- living with you in a regular parent-child relationship; and
- dependent upon you for support, and qualifies as your dependent under Internal Revenue Code 105 and 152; and
- is under age 19; or
- is under age 24 if a full-time student.

#### Description of Full-Time Students (for Other Children):

Other children who are full-time students can be covered to age 24. A child is considered a full-time student by the school he or she is attending (normally this is at least 12 credit hours). However, only 9 credit hours are necessary if the student is in the semester before graduation. The school must have:

- A regular faculty,
- A set curriculum,
- A tuition requirement, and
- A regular student body attending.

The school may be a:

- Prep school,
- Vocational or trade school,
- Junior college
- Seminary, or
- College or university.

In the event of a claim, you will be required to show proof of dependency, such as a birth certificate, court order, or federal tax return for each eligible child.

#### **Disabled Children**

A disabled child can be covered beyond the dependent child age limits. The disabled child may be covered if he/she:

- was covered continuously as a dependent child in the Group Term Life program through his or her parent before reaching the dependent child age limit;
- is not married; and
- is providing 50% or less of his/her own support because of a disability that is expected to last more than 12 months or result in death.

### **Enrollment & Beneficiary Designations**

#### **(4) How do I enroll or make changes to my coverage in the GUL & AD&D Program?**

Securian will mail an enrollment booklet describing the program to the homes of newly hired benefit eligible active employees. Note: Enrollment records for this program are solely maintained by Securian. Eligible employees who do not enroll in this program will have no state sponsored life insurance coverage.

To enroll or make changes –

1. Visit [de.gov/statewidebenefits](http://de.gov/statewidebenefits) (Select “Benefit Programs,” then choose “Life Insurance”)
2. Select “Enroll Online and/or Make Coverage Changes.”
3. Choose the appropriate group that applies to you and follow the simple steps.

**(5) When will coverage become effective?**

Coverage not requiring proof of good health will become effective the first of the month following 90 calendar days of continuous employment. Coverage requiring medical underwriting (proof of good health) will be effective the first of the month following completion of the 90 calendar day waiting period (for new hires and newly eligible employees) and approval from Securian.

**(6) Can benefit eligible active employees enroll and/or make changes to their current coverage after the initial 90 calendar eligibility period expires?**

Yes, benefit eligible active employees may apply for enrollment and/or make coverage changes at any time after the exhaustion of the initial eligibility period by following the instructions in Q&A (4) and by providing Securian with proof of good health. Employees enrolled in the GUL and AD&D program who experience a family status change (marriage, birth or adoption) should follow the instructions in Q&A (7) below.

**(7) What happens if I experience a family status change (qualifying event)?**

Enrolled employees who experience a family status change (marriage, birth or adoption) may increase their coverage by one level up to three times annual base pay up to \$200,000 without providing proof of good health to Securian if you apply within 31 calendar days of the life event. If you experience a family status change and you are already enrolled at a level of three times or greater, you must provide proof of good health to Securian to increase your coverage amount.

**(8) How do I designate a beneficiary or make a beneficiary change?**

Designating a beneficiary is important because it allows you to determine who receives the proceeds from your GUL & AD&D policy in the event of your death. If no beneficiary is designated, proceeds are paid according to a policy default as follows: spouse, child(ren), parents and estate. You may view or make changes to a current beneficiary designation by following the instructions in Q&A (4). Employees without internet access can complete the paper designation form available on the SBO website. It is highly recommended that you review your beneficiary designations at least every five years.

## **Coverage**

**(9) What coverage options are available to newly eligible employees?**

Benefit eligible active employees may purchase one to six times base annual salary up to \$350,000.

During your initial 90 calendar day eligibility period, benefit eligible active employees may purchase one, two or three times annual base pay up to \$200,000 without providing proof of good health or you may also purchase four, five or six times annual base pay up to \$350,000 with proof of good health. Your GUL and AD&D coverage will be based on your “Highest Ever Salary”. This means that if in the future, your base annual salary increases, your coverage will automatically be increased appropriately up to \$350,000. Subsequently, if your base annual salary decreases (i.e., you change your position from full-time to part-time), your GUL and AD&D coverage amount will not decrease. Eligible employees also have the option of purchasing the maximum guarantee issue amount of \$200,000. Employees who have chosen to purchase the \$200,000 coverage option are not eligible for automatic coverage increases as a result of salary changes.

**(10) What is the Accelerated Benefit and how does it work?**

An accelerated benefit allows terminally ill GUL enrollees to receive payment of either the full amount or a partial amount of their death benefit *prior* to death. An accelerated payment will not include AD&D and the minimum that can be accelerated is \$10,000. The primary insured may also choose to accelerate a portion of the death benefit, providing the remaining amount is at least \$25,000. To access this benefit, please complete the Notice of Claim for Accelerated Benefit form displayed on the SBO website. A terminal condition is a condition caused by sickness or accident which directly results in a life expectancy of twelve months or less.

**(11) What happens to my coverage if I become disabled?**

The State of Delaware’s Group Universal Life (GUL) insurance program includes an important feature to protect disabled employees, called a Premium Waiver benefit. If you become totally disabled while enrolled in the GUL program, the face amount of your GUL coverage will remain unchanged and you will not be billed for your (employee only) insurance premium for as long as you are deemed totally disabled or until you attain age 65, whichever occurs first. If you cease to be totally disabled prior to age 65, or if you fail to give proof of your continued disability when requested by Securian, you may continue your coverage if you promptly resume paying the applicable premium for the coverage as stated in Q&A (17) of this document. More information on this valuable benefit is displayed on the SBO website. Dependent Term Life coverage may be converted to individual coverage if applied for within 31 calendar days of your approval for Premium Waiver by Securian.

## **Cash Accumulation Account**

**(12) What is a Cash Accumulation Account and how does it work?**

Whether your plans include a college education for your child(ren) or a supplemental retirement income, funding a cash accumulation account is a tool that can help you accumulate the savings you want. The cash accumulation account consists of ***additional***

premium you choose to pay into your GUL policy. The additional premium grows at a minimum rate of minimum rate of four percent. A three percent administrative charge is deducted from each contribution into the cash accumulation account. You may also make lump sum contributions, start, stop or change your contributions at any time.

**(13) Can I access the premium in my Cash Accumulation Account?**

Yes, through policy loans or cash withdrawals. Loans are available at a low net rate of two percent. You may make partial withdrawals of at least \$100 from your cash accumulation Account.

## **Coverage Costs**

**(14) What are the monthly GUIL & AD&D Rates?**

Plan rates are located on the SBO website at

**(15) Who is responsible for the cost of coverage?**

Enrolled individuals are responsible for the total cost of coverage. Employees employed in a benefit eligible active position must have their premiums deducted through the convenience of bi-weekly payroll deductions. If you are no longer employed in a benefit eligible active position, you will be placed in Securian's direct bill system. The first direct bill premium statement issued by Securian will reflect a three month (quarterly) period. The frequency of future direct bill premium statements can be changed to an annual, semi-annual or monthly basis.

**(16) What happens to my insurance if I take an unpaid leave of absence?**

After six continuous pay periods without a payroll deduction, Securian will automatically send a quarterly bill to your home for continued premium payments. If you know that you will be on an extended leave of absence, please contact Securian at (877) 215-1489 or by email at [lifebenefits@securian.com](mailto:lifebenefits@securian.com) as soon as possible to make premium paying arrangements. When you return from leave, you will automatically be placed back on the State of Delaware's premium deduction file for future payroll deductions.

## **No Longer Employed in an Active Benefit Eligible Position – Continuation Options (Portability/Conversion)**

**(17) What happens to my coverage when I retire, terminate employment or am no longer actively employed in a benefit eligible position with the State of Delaware?**

GUL enrollees who are no longer employed in an active benefit eligible position may take advantage of a continuation option shown below, based on your date of hire into a benefit eligible position:

**Hired prior to July 1, 2015**

**Portability** – If you leave or retire from a benefit eligible active position, you will be able to port (take with you) 50 percent of your GUL coverage amount and all

Dependent Term Life coverage in effect as of your last day of employment. Monthly “ported” GUL and AD&D rates effective July 1, 2018 are displayed on the SBO website.

**Conversion** – You may convert the remaining 50 percent of your GUL coverage amount (based on attained age) into an individual policy, if applied for within 31 days of employment termination or retirement from a benefit eligible position. Dependent Term Life can be converted to individual policies once eligibility expires or upon the approval of premium waiver for the employee. Converted rates are higher than ported rates.

#### **Hired on or after July 1, 2015**

**Portability** – If you leave or retire from a benefit eligible active position, you will be able to port (take with you) 100 percent of your GUL coverage amount and all Dependent Term Life coverage in effect as of your last day of employment. Monthly “ported” GUL and AD&D rates for benefit eligible active employees hired or rehired on or after July 1, 2018 are displayed on the SBO website.

Please note: Applies to employees hired, transferred or rehired into a benefit eligible position as of July 1, 2015.

**Conversion** – You can also convert 100 percent of your GUL coverage (based on attained age) into an individual policy if applied for within 31 days of employment termination or retirement from a benefit eligible position. Dependent Term Life can be converted to individual policies once eligibility expires or upon the approval of premium waiver for the employee. Converted rates are higher than ported rates.

For more information regarding the portability or conversion provisions, please contact Securian directly at (877) 215-1489 or by email at [lifebenefits@securian.com](mailto:lifebenefits@securian.com).

#### **(18) How can I access Securian’s system when I retire, terminate employment or am no longer actively employed in a benefit eligible position with the State of Delaware?**

GUL enrollees who are no longer employed in an active benefit eligible position may access Securian’s website through the SBO website and follow the instructions.

*Note: Access to State of Delaware Employee Self Service is not available upon separation of employment.*

### **Filing a Death Claim**

#### **(19) How is a death claim filed?**

A Beneficiary Statement form is posted on the SBO website that can be downloaded, completed and returned directly to Securian for processing. Securian’s mailing address is referenced on the form.

## **Modified Endowment Contract (MEC)**

### **(20) What is a Modified Endowment Contract (MEC)?**

A MEC is an insurance contract for which the “premiums” plus voluntary contributions to a Cash Accumulation Account exceed a limit calculated in accordance with IRC Section 7702A. Access Securian’s website through [SBO’s website](#) for more detailed information regarding a MEC status. If you have additional questions, please contact Securian directly at [lifebenefits@securian.com](mailto:lifebenefits@securian.com) or by telephone at (877) 215-1489 between the hours of 8:00 a.m. and 7:00 p.m. (ET), Monday through Friday.

## **Other Services**

### **(21) What other value added services are included in this program?**

The following *additional* services are also included in the GUL program:

#### **Travel Assistance Services**

Travel Assistance Services are provided by RedpointWTP LLC to actively employed U.S. employees, spouses and child(ren) who are enrolled in the GUL and AD&D program. (Retirees, premium waiver beneficiaries and/or ported participants are not eligible for this service). Services are available 24/7/365 and include medical professional locator services, assistance replacing lost or stolen luggage, medication or other critical items, medical or security evacuation, medically necessary repatriation and repatriation of mortal remains when traveling 100 or more miles from home. For more information, visit [LifeBenefits.com/travel](http://LifeBenefits.com/travel) or call (855) 516-5433 in the U.S. and Canada. From other locations, you can call collect to (415) 485-4677.

#### **Legacy Planning Services**

Legacy Planning Services are designed to support active, retired, ported participants, premium waiver beneficiaries and their families. Log onto [LegacyPlanningResources.com](http://LegacyPlanningResources.com) for information and resources on preparing your own final plans and arrangements to share with loved ones. The website will also help you find information to guide you through planning a loved one’s funeral or memorial service. The online resources are easy to access and available 24/7/365.

#### **Beneficiary Financial Counseling**

Beneficiaries who receive at least \$25,000 in policy benefits may choose to receive independent beneficiary financial counseling services from PricewaterhouseCoopers LLP (PwC). PwC does not sell investments or other financial products and no information will be given to PwC without the beneficiary(ies) consent. Financial counseling services are designed to help beneficiaries understand and address financial decisions at a difficult time. Visit the [SBO’s website](#) for more information.



## Legal Services

Legal services provided by Ceridian LifeWorks' are available to active employees, their spouses and other dependents at no cost. (Retirees, premium waiver beneficiaries and/or ported participants are *not eligible* for these services). Visit [LifeWorks.com](https://LifeWorks.com) (user name: **lfg**; password: **resources**) or call (877)-849-6034 to learn more and access the following services:

- ▶ **Consult with an attorney.** You are entitled to a free 30 minute initial consultation, in person or over the phone, with an attorney in your state of residence. You may use the time to discuss pre-existing or future legal matters, or to have documents reviewed.
- ▶ **Create wills, financial power-of-attorney, living will or final arrangements.** You can create a legally valid will and other legal documents in less than an hour!
- ▶ **Receive referrals to local attorneys and mediators.** Ceridian LifeWorks' has a network of over 22,000 attorneys nationwide participating in this program. You may request a referral to an attorney in your area at any time after enrollment in the GUL program.
- ▶ **Download legal forms.** You may download legal forms, such as affidavits, real estate forms, etc., online. These forms are not legally valid and are intended to be "for your information." We encourage you to use your initial attorney consultation to discuss your personal situation and receive advice appropriate for your specific situation.
- ▶ **Get your legal questions answered.** Access a vast library of online legal information and resources for your reference.
- ▶ **Retain an attorney at a 25 percent discount.** After your initial consultation, you may retain your network attorney and receive a 25% discount from the participating attorney's normal hourly rate. You are not obligated to retain an attorney. Also, if you are uncomfortable with the attorney you were originally matched with, you may request a referral to another attorney in your area.

## Contact Information

### **(22) Who do I contact if I have questions?**

You may contact Securian directly at [lifebenefits@securian.com](mailto:lifebenefits@securian.com) or by telephone at (877) 215-1489 between the hours of 8:00 a.m. and 7:00 p.m. (ET), Monday through Friday. You may also contact the SBO Customer Service Team by telephone at (302) 739-8331 or (800) 489-8933 between the hours of 8:00 am and 4:30 pm (ET), Monday through Friday, or by email at [benefits@state.de.us](mailto:benefits@state.de.us).